

7/7 cc eng. (Hallas)

RESOLUTION NO. 53-87

TALL PINE DRIVE COUNTY IMPROVEMENT DISTRICT

**RESOLUTION CONFIRMING ASSESSMENT AND APPROVING AND  
RATIFYING ALL PROCEEDINGS; APPROVING FORM OF NOTICE OF SALE OF  
BONDS; AND AUTHORIZING THE  
SUPERINTENDENT OF STREETS TO CERTIFY THE ASSESSMENT ROLL AND  
EXECUTE THE CERTIFICATE THEREFOR**

WHEREAS, March 23, 1987, the Board of Directors of the Tall Pine Drive County Improvement District adopted a Resolution of Intention to construct certain improvements within the District; and

WHEREAS, on May 4, 1987, the Board of Directors of the Tall Pine Drive County Improvement District adopted a Resolution, which among other things is a Resolution Approving the Diagram; and

WHEREAS, on June 1, 1987, the Board of Directors of the Tall Pine Drive County Improvement District adopted a Resolution which among other things Acknowledged the Recording of the Assessment; and

WHEREAS, a Notice of Assessment has been published and mailed to the property owners of record within the area to be assessed in accordance with Arizona Revised Statutes Section 48-928; and

WHEREAS, the Board of Directors of the Tall Pine Drive County Improvement District held a hearing on July 6, 1987, to hear any objections to the assessments in the District; and

WHEREAS, the Board of Directors of the Tall Pine Drive County Improvement District has heard any and all objections by any owner, the contractor and all other persons interested in the work or in the assessment who have any objections to the legality of the assessment or to any of the previous proceedings connected therewith and hereby determines that any objections received were not sufficient to cause the modification of the assessments, or affect the legality of any proceedings of the Tall Pine Drive County Improvement District; and

WHEREAS, all lawful proceedings prior to the issuance and sale of bonds of the

District have been completed or are being completed; and

WHEREAS, pursuant to Arizona Revised Statutes Section 48-935, the Board may sell the bonds at a public or private sale; and

WHEREAS, in order to effectuate the sale of the bonds, it is necessary to have a Notice Inviting Proposals to Purchase the Bonds prepared by the District and circulated among the potential buyers; and

WHEREAS, the Superintendent of Streets prepared an Assessment; and

WHEREAS, the time period allowed by statute for property owners to payoff the Assessment for their parcel of property in cash will expire on July 13, 1987; and

WHEREAS, the Board of Directors is desirous of having the Superintendent of Streets certify the unpaid Assessments, after July 13, 1987.


THEREFORE, BE IT RESOLVED THAT:

1. The Board of Directors of the Tall Pine Drive County Improvement District hereby confirms the diagram and assessment as heretofore recorded.
2. The Board of Directors of the Tall Pine Drive County Improvement District hereby approves, ratifies, confirms and validates all proceedings in this matter heretofore taken.
3. The annual assessment installments are to be collected in the same manner as Navajo County taxes.
4. That in confirming said assessment the Board of Directors has reaffirmed its position set forth earlier in these proceedings in the Resolution forming said District and the Resolution of Intention to Order the Improvements that each parcel set forth in the assessment will be benefited by the improvements to be constructed.
5. The assessment so confirmed includes the sum due for the work performed and specified in the Contract and incidental expenses of said work and assessment.
6. The form of the Notice Inviting Proposals for the Purchase of Bonds attached hereto is hereby approved in substance and the Clerk of the Board of Supervisors, ex officio Clerk of the Board of Directors, is authorized to execute said notice, and to make such minor corrections in said notice as may be necessary in the opinion of bond counsel, John G. Gliege, which do not materially affect the information presented therein.
7. The Board of Directors of the Tall Pine Drive County Improvement

District hereby authorizes the Superintendent of Streets to certify the unpaid Assessments for the Tall Pine Drive County Improvement District upon the conclusion of the prepaid period.

DATED this 6th day of July, 1987.

BOARD OF DIRECTORS,  
TALL PINE DRIVE COUNTY  
IMPROVEMENT DISTRICT

  
Chairman

ATTEST:

  
Clerk

APPROVED AS TO FORM:

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DW/RConfAssmt

TALL PINE DRIVE COUNTY IMPROVEMENT DISTRICT  
NAVAJO COUNTY, ARIZONA

NOTICE INVITING PROPOSALS FOR PURCHASE OF BONDS

NOTICE IS HEREBY GIVEN that sealed, unconditional proposals will be received by the Board of Supervisors of Navajo County, Arizona, acting as the Board of Directors of the Tall Pine Drive County Improvement District, at the office of the Clerk of the Board of Supervisors, Navajo County Governmental Complex, S. Highway 77, Holbrook, Arizona 86025, up to and including the hour of 11:10 A.M., M.S.T., (ARIZONA IS EXEMPT FROM DAYLIGHT SAVINGS TIME), on Monday, the 20<sup>th</sup> day of July, 1987 for the purchase of any of the bonds of an issue of fully registered special assessment Bonds of the Tall Pine Drive County Improvement District; the total principal amount of not to exceed \$65,000 to be designated Tall Pine Drive County Improvement District, Road Improvement Bonds of 1987, hereinafter referred to as the "Bonds". The Bonds are being issued pursuant to Article 1, Chapter 6, Title 48, Arizona Revised Statutes, for the purpose of financing the paving of streets in accordance with the plans and specifications previously approved by the Board of Directors of the Tall Pine Drive County Improvement District and on file with the Clerk of the District, ex officio Clerk of the Board of Supervisors of Navajo County.

Each bid submitted must offer to purchase any number of the \$65,000 principal amount of Bonds in \$5,000 increments (except for one Bond of a lesser amount in the first maturity) or any multiples thereof, subject to reduction as set forth below, at not less than 96% of the par value thereof plus accrued interest to the date of delivery. Bidders may, but are not required to, offer a premium in addition to the purchase price. In the event, two or more proposals contain the same rate of interest, the Superintendent

of Streets of the District shall draw lots to determine the bidder whose offer shall be accepted.

**THE BONDS:** The Bonds herein offered for sale will be dated August 1, 1987. The Bonds will be in the denomination of \$5,000 each or any integral multiple thereof, except for one Bond of a lesser amount in the first maturity. The Bonds will bear a single rate of interest on the unpaid principal which shall not exceed 12% per annum. Interest on the Bonds is payable on July 1 and January 1. The first interest payment date will be January 1, 1989; the money for the first interest payment to be collected as the first annual assessment installment. The Bonds will be serial bonds and mature in installments approximately in accordance with the following schedule:

| For Bonds Maturing: | Principal Amount: |
|---------------------|-------------------|
| 1/1/89              | \$5,000           |
| 1/1/90              | 5,000             |
| 1/1/91              | 5,000             |
| 1/1/92              | 5,000             |
| 1/1/93              | 5,000             |
| 1/1/94              | 5,000             |
| 1/1/95              | 5,000             |
| 1/1/96              | 10,000            |
| 1/1/97              | 10,000            |
| 1/1/98              | 10,000            |

**REDUCTION IN PRINCIPAL AMOUNT OF BONDS:** The aggregate principal amount of the Bonds to be issued is subject to reduction by the District prior to the award of the Bonds in the event of payment in cash of a portion of the assessments during the cash collection period, during which the landowners may pay their entire assessment, or a portion thereof, in cash, which cash collection period ends on July 13, 1987, at which time the certified list of unpaid assessments will be prepared. In the event of a reduction in the aggregate principal amount of Bonds to be issued, the principal amount of the Bonds maturing in each of the years set forth above is subject to proportionate reduction to the extent possible, in inverse order of maturity, commencing with the final maturity of the Bonds in 1998, until the total of all maturities equals the reduced principal amount of the Bonds. The determination by the Board of Directors of

the District as to the principal amounts and maturities to be reduced shall be final.

The winning bidder shall be notified at the time of award of the Bonds of the final total principal amount and schedule of maturities. The amount of cash collections cannot be estimated at this time.

**INTEREST PAYMENTS:** The District has designated the Valley National Bank as Registrar and Paying Agent, hereinafter referred to as the Registrar for the Bonds. Interest on the Bonds is payable by check drawn on the Registrar. Interest payments will be mailed to the registered owners at the addresses shown on the Registrar's books on the record date as stated below. Principal, at Bond maturity, will be paid at the principal corporate trust office of the Registrar upon surrender of such Bond or Bonds to the Registrar.

The 15th day of the month preceding an interest payment date is the record date for the Bonds. Should a Bond be submitted to the Registrar for transfer during the period commencing after the close of business on the record date and continuing to and including the next subsequent interest payment date, ownership will be transferred in the normal manner but the next interest payment will be made payable to and mailed to the registered owner as shown on the Registrar's books at the close of business on the record date.

**SECURITY:** The Bonds are secured and payable from special assessments levied against the real property benefited by said improvements. The Bonds are issued under the provisions of Title 48, Chapter 6, Article 1, Arizona Revised Statutes, as amended, which requires the District to purchase the property covered by unpaid assessments in case there are no other purchasers of delinquent property at the Superintendent of Streets' sale and, in the event of such purchase, the District shall assume, as purchaser, the amount of said assessment and interest accruing thereon to the extent of not to exceed 20% of the principal amount of the Bonds issued by the District.

Pursuant to Title 48, Chapter 6, Article 1, Section 48-935 Arizona Revised

Statutes, as amended, a reserve fund will be established by the Board of Directors of the District either out of the proceeds of the sale of the Bonds, or out of an increase in the amount of the annual assessment installments, over and above the amount required to pay annual principal and interest installments on the Bonds. The reserve fund shall be maintained in an amount equal to or greater than an amount equal to that proportion of the total annual assessment installment owing and due for a particular year multiplied by the percent, measured in dollars, of the previous years annual assessment installments which were not timely collected by the Treasurer of Navajo County, as compared to the total annual assessment installments for the year. In the first year said percent shall be determined by using Navajo County's general ad valorem taxes in lieu of the previous year's annual assessment installment.

**FORM OF BID:** All bids submitted must be on the Official Bid form, copies of which may be obtained from the Law Office of John G. Gliege. All bids must comply with the terms of this Notice. Any bid must be accompanied by a certified check in an amount equal to 10% of the bid drawn on a bank doing business in the State of Arizona, payable to the order of the Treasurer of Navajo County, Arizona. Each bid shall be enclosed in a sealed envelope marked "Proposals for Improvement Bonds, Tall Pine Drive County Improvement District," and shall be addressed to the Clerk of the Board of Supervisors, Navajo County, Navajo County Governmental Complex, S. Highway 77, Holbrook, Arizona, 86025. All bids shall be unconditional. No interest will be paid on the check of any bidder. The check of the successful bidder will be applied to the purchase price of the Bonds, or retained and forfeited as liquidated damages in the event such bidder does not take up and pay for the Bonds at the time of delivery. All checks of the unsuccessful bidders will be returned upon the award of the Bonds to the successful bidder.

**INTEREST RATE:** Bidders are invited to name the single rate of interest which the Bonds to be purchased by that Bidder are to bear. The maximum interest rate shall not

exceed 12%.

In addition to the purchase price and premium, if any bid, which must be paid from immediately available funds, the winning bidder shall pay in immediately available funds all accrued interest from August 1, 1987, to the date of delivery of the Bonds.

THE INTEREST RATE BIDS SHALL BE EXPRESSED IN TERMS OF 1/8 OR 1/20 OR A PERCENTAGE POINT. HOWEVER, NO FRACTIONAL CENTS WILL BE PAID OR ACCUMULATED FOR PAYMENT ON ANY BOND AND AN INTEREST RATE BID WHICH INDICATES PAYMENT OF FRACTIONAL CENTS WILL BE DEEMED TO BE A WAIVER OF THE RIGHT TO PAYMENT OF SUCH FRACTIONAL CENTS.

**PRIOR REDEMPTION:** The bonds are subject to call for redemption prior to maturity. Bonds redeemed prior to maturity shall be subject to a redemption premium, as described hereafter, which shall be paid to the registered holder thereof at the time of redemption, along with the principal amount plus any interest accrued to the date of the redemption. All Bonds to be redeemed shall be redeemed on January 1 or July 1 of any year, commencing with January 1, 1989. The Registrar shall give notice of the redemption of any Bond to the registered holder thereof by registered or certified mail on or before the first day of June, in the case where a Bond is to be redeemed on July 1, or the first day of December, in the case where a Bond is to be redeemed on January 1. The first Bond to be redeemed shall be chosen by lot out of the Bonds of the maturity midway to the end of the term of the Bonds from the date of redemption. Successive Bonds shall be chosen for redemption by lot from each maturity either side thereof, so that Bonds called for redemption shall be a pro rata part of each after the maturity for which a levy of the special assessment has been posted to the tax rolls of the County. The redemption premium shall be paid from any available source of funds and shall be computed as follows: 1/2 of 1% for each six month period or fraction thereof elapsing between the date fixed for redemption and the date of the maturity of the Bonds so called for redemption, but never to exceed 5%.



Any property owner who pays off his assessment shall pay to the Treasurer of the District, who is the Navajo County Treasurer, an amount equal to the principal balance of the assessment against his property, plus five percent of the principal balance, plus interest at the rate stated in the bonds, to the earliest date of redemption, plus any delinquent installments of principal and interest together with costs due thereon. Any funds derived from said payoff premium not used to pay Bond premiums shall be applied first to the reserve fund, and if fund is sufficient in amount, second to pay the administrative costs of the District.

In the event that surplus monies exist following the completion of construction and the payment of all costs thereof, including incidental expenses, and the Board of Directors determines that said surplus funds are not needed, in whole or in part, to provide for the reserve fund as described herein, such surplus may be applied by the Board to reduce the annual assessment installments for the subsequent year or years.

**AWARD AND DELIVERY OF BONDS:** Unless all bids are rejected, the Bonds will be awarded following the opening of all bids to the bidder whose proposal results in the lowest net interest cost to the District, which will be determined by computing the aggregate amount of interest payable on the Bonds from \_\_\_\_\_, 1987, to their respective maturities plus any discount bid or less any premium bid. Delivery of the Bonds will be made to the purchaser upon payment in immediately available funds at the main office of the Valley National Bank, 241 Central Avenue, Phoenix, Arizona, or at any other place mutually agreeable to the District and the purchaser, at the purchaser's request and expense.

The District expects to deliver the Bonds against payment therefore on or about \_\_\_\_\_, 1987. The District may, at its option, deliver a temporary typewritten Bond representing the entire issue, which temporary Bond will be exchanged for definite printed Bonds on or about \_\_\_\_\_, 1987.

**RIGHT OF REJECTION:** The Board of Directors reserves the right in its discretion

to reject any and all bids received and to waive any irregularity or informality in the bids, except that the time for receiving bids shall be of the essence.

**REGISTRATION AND COST OF BOND FORM:** The District will bear the cost of the Bond forms and the printing thereof and will furnish fully executed Bonds, registered in the name of the purchaser or its designee, to the purchaser upon payment therefor. All costs and expenses of registration, and transfer taxes, if applicable, pertaining to subsequent registrations of the Bonds will be paid by the transferor.

The District will cause the temporary Bond, if any, and the printed Bonds to be prepared, executed and delivered to the Registrar without charge to the purchaser. No Bond will be valid unless manually authenticated by the Registrar.

The Bonds will be registered in such names and in such denominations as the successful bidders shall have requested in writing not less than five (5) business days prior to closing; and the remaining aggregate principal amount of the Bonds for which no instructions have been received by such date will be issued as one Bond in the denomination for each maturity of such remaining aggregate principal amount or as Bonds in such denominations as shall be mutually agreed upon by the successful bidders and District and registered in the name of the successful bidder.

The Bonds will be transferable only upon the bond register maintained by the Bond Registrar upon surrender of the Bonds to the Bond Registrar with an appropriate instrument of transfer.

**LEGAL OPINION:** These Bonds are sold subject to the approval of legality by John G. Gliege of Flagstaff, Arizona. Said attorney has been retained by the District as Bond Counsel and in such capacity is to render his opinion upon the legality of the Bonds under Arizona law and on the exemption of the interest income on the Bonds from Federal and State of Arizona income taxes, the delivery of said opinions being a condition precedent to the delivery of the Bonds and the purchase thereof by the successful bidders. Fees of Bond Counsel will be paid from Bond proceeds.

**TAX EXEMPT STATUS:** In the opinion of Bond Counsel, interest on the Bonds is exempt from taxation under existing federal income tax laws and State of Arizona income tax laws, except that the interest on the Bonds is included in the adjusted net gain from operations for purposes of the federal taxes imposed upon property and casualty insurers and in the calculation of adjusted net book income for purposes of the alternative minimum tax provisions of the United States of America for certain corporations.

**NO LITIGATION AND NO ARBITRAGE:** The County will deliver a certificate to the effect that no litigation is pending affecting the issuance and sale of the Bonds. The County will also deliver an arbitrage certificate covering its reasonable expectations concerning the Bonds.

**CERTIFICATES AND ADDITIONAL OPINION TO BE DELIVERED:** The District will deliver a certificate showing that no litigation is pending affecting the issuance and sale of the Bonds or the assessments securing payment of the Bonds. John G. Gliege, Esq., Flagstaff, Arizona, Counsel to the District will deliver an opinion to the purchaser to the effect that, as of the date of delivery of the Bonds, no facts have come to his attention which lead him to believe that the Official Statement of the District relating to the Bonds contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

**ADDITIONAL INFORMATION:** Copies of the Notice Inviting Proposals for Purchase of Bonds, the Official Bid form and of the Official Statement relating to the Bonds will be furnished to any prospective bidder upon request made to the Law Office of John G. Gliege, R.R. 4, Box 722B, Flagstaff, Arizona 86001, (602) 779-3674.

DATED this 16 day of July, 1987.

TALL PINE DRIVE COUNTY  
IMPROVEMENT DISTRICT

BY: Sharon A. Keens  
Clerk, Tall Pine Drive County  
Improvement District

DZ2/NHBPNotIn